SEVENTH REPORT

of the

STANDING COMMITTEE

ON

PUBLIC ACCOUNTS

FOURTH SESSION — TWENTIETH LEGISLATURE

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Legislative Building
Regina, Saskatchewan

June 14, 1985

To The Honourable
The Legislative Assembly of
The Province of Saskatchewan
Regina, Saskatchewan

Honourable Members:

I have the honour to submit herewith the Seventh Report of the Standing Committee on Public Accounts for the Fourth Session of the Twentieth Legislative Assembly.

Respectfully submitted on behalf of the Committee.

E.B. Shillington
Chairman
MLA Regina Centre

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COMPOSITION OF THE COMMITTEE

Members

Mr. E.B. Shillington, MLA
Chairman
(Regina Centre)

Mr. C.H. Glauser, MLA
Vice Chairman
(Saskatoon Mayfair)

Mr. A.W. Engel, MLA
(Assiniboia-Gravelbourg)

Mr. R. Katzman, MLA
(Rosthern)

Mr. J.P. Meagher, MLA
(Prince Albert)

Mr. M.L. Morin, MLA
(The Battlefords)

Mr. L.J. Muller, MLA
(Shellbrook-Torch River)

Mr. W.M. Sveinson, MLA
(Regina North West)

Mr. D.R.W.E. Weiman, MLA
(Saskatoon Fairview)

Mr. K.J. Young, MLA
(Saskatoon Eastview)

Staff

Mr. C. James
Clerk

Mrs. J. Rublee
Secretary

Technical Advisors

Mr. W.G. Lutz
Provincial Auditor

Mr. G. Kraus
Comptroller

PREFACE

This publication begins a new format of the report for the Standing Committee on Public Accounts and is intended to be more comprehensive in informing the Legislature of the Committee's activities. The Committee considers that this new format will provide a convenient medium for it and the Legislature to review its own activities over the past year and to suggest areas of public administration and finance which may require scrutiny and review.

The effectiveness of the Public Accounts Committee has been frequently criticized on the grounds that it performs a postmortem study. Perhaps the late Sidney Webb provided the right answer to this criticism when he said "The fact that postmortem examination does nothing to keep the patient alive is no proof that the existence of a system of postmortem examinations does not prevent murders."

The Committee wishes to thank all of its staff and advisers for their excellent work during 1984-85. Additionally, we wish to thank all those who gave assistance, particularly officers from the various Government Departments, Boards, Commissions and Crown Corporations of the Province of Saskatchewan. We also wish to express our appreciation to the Committee Clerk, Mr. Craig James and to Mrs. Joyce Rublee, secretary to the Committee and for the work done by the Director of Hansard and his staff, the Legislative Librarian and her staff, as well as the assistance provided by other employees of the Legislative Assembly Office.

For, and on behalf of the Committee,

E.B. Shillington
Chairman
MLA Regina Centre

THE PUBLIC ACCOUNTS COMMITTEE AND ITS ACTIVITIES

Introduction

This report to the Legislature provides a summary of the Committee's activities during the financial year 1983-84 and issues arising out of inquiries and other matters in 1984-85.

The Committee considers that it has a duty to present a comprehensive report on its activities to the Legislature each year. This will provide a convenient medium for the Committee to review the past year and suggest improvements which may be made in public administration and finance.

Previous reports have dealt with the operation of the Committee and issues the Committee felt significant enough to report to the Legislature in order to resolve the idiosyncracies raised in the Provincial Auditor's Report, the Public Accounts of the Province of Saskatchewan and the respective agencies' annual reports for the year under review. It is worth restating in this report that since its inception in 1888 the Committee has produced many significant reports which have led directly to an improvement in public administration and financial disclosure in the Saskatchewan public sector.

As the scope and complexity of government administration has increased, particularly with the growth in the number and size of statutory authorities, the Committee's role has also been expanded by the Legislature to meet the need for increased scrutiny. The last revision to the procedures of the Standing Committee on Public Accounts was in 1981 when the Report of the Special Committee on the Review of Rules and Procedures of the Legislative Assembly was concurred in.

Governments may come and Committees may go, but public spending goes on forever. No matter what economic theories now prevail, or what government is in power in the province, the control of public expenditure remains the Legislature's unalterable function. Governments everywhere, from the most primitive to the most sophisticated, need something resembling a Public Accounts Committee to keep their expenditure plans in fleeting contact with the straight and narrow.

A matter of major concern to the Committee is the complexity of public administration in a province the size of Saskatchewan. In particular, the auditability and control of funds provided by the Legislature to various agencies demanding attention.

Government departments have many human virtues. We found those we examined to be inhabited by men and women who are clever, quizzical, industrious and sometimes humorous. These public servants combine intellectual skepticism and professional commitment in admirable measure.

The success of the Committee, especially in recent years, continues to build on the solid foundation laid over the last 90 years by successive chairmen, members of the Committee and staff, as well as by the Committee's official observers and advisers, all of whom have contributed to the building of an institution which is highly regarded in the Legislature and viewed by the public as one of the major components of accountability.

With the growing complexities of government, and the problems facing all Legislatures in the management of the province's affairs, it is now becoming a matter of vital concern that Parliamentarians should be kept informed of methods by which efficiency and effectiveness of government programs can be assured. This report is only one attempt to do that.

Changes to the Committee

On December 4, 1984, the composition of the Public Accounts Committee was increased from nine to ten members:

> "On motion of the Hon. Mr. McLeod, seconded by the Hon. Mr. Andrew, by leave of the Assembly, Ordered, that notwithstanding the previous order the membership of the Standing Committee on Public Accounts be increased to ten members."

Speaking Engagements

Public awareness of the Committee's function led to an invitation to the Chairman of the Standing Committee on Public Accounts to speak to a graduate class in public administration at the University of Regina. The Chairman presented an overview of the Public Accounts Committee - its role and purpose. A paper prepared by a graduate student in this Administration 812 class was distributed to Committee members: "An Analysis of the effectiveness of the Public Accounts Committee on fulfilling its role".

Canadian Council of Public Accounts Committee's Annual Meeting

In 1984 the Committee sent two delegates to the Canadian Council of Public Accounts Committee's Conference in Charlottetown, Prince Edward Island. This conference was established in 1979 with the primary objective to allow members of public accounts committees with similar objectives throughout Canada to discuss matters of mutual concern and to encourage federal and provincial co-operation on significant public sector accountability issues. These meetings are held in conjunction with the legislative auditors' meetings which culminate in a joint meeting between the two groups. The published proceedings of the sixth annual meeting of the Canadian Council of Public Accounts Committees contains a variety of concerns: accountability in government; the role and function of treasury boards, management boards and comptrollers general; comprehensive auditing; capital project management; several case studies, including one respecting Canadair; and a business meeting which elected our Chairman on the Standing Committee on Public Accounts as the Vice President of the Canadian Council of Public Accounts Committees. In 1986 our Chairman will become the President of this organization and host the eighth conference to be held in Saskatchewan.

The Sixth Annual Meeting of the Canadian Council of Public Accounts Committees was attended by the Member for Assiniboia-Gravelbourg and the Member for Prince Albert. The theme central to the Sixth Annual Meeting was Financial Accountability. Financial Accountability has gained in importance, especially given the volume of public moneys and the sophistication of data processing activities. Although not in the public eye as frequently as economic planning, financial accountability is a field where the attention of the public is becoming more critical and where the tasks and challenges facing practitioners and researchers are increasingly severe. Furthermore, an educated public is now concerned about the efficiency and effectiveness of government expenditures and programs.

Comprehensive Auditing

The Committee undertook consideration of two exposure drafts of the Public Sector Accounting and Auditing Committee of the Canadian Institute of Chartered Accountants entitled "Auditing in the public sector" and "Audit of the financial statements." The Public Accounts Committee did not submit its comments to the Canadian Institute of Chartered Accountants regarding the exposure drafts.

The Commmittee did not send delegates to the fifth annual conference of the Canadian Comprehensive Auditing Foundation, December 2-4, 1984, and has decided against attending the sixth annual conference this year due to commitments already established.

Guests

Mr. Alan Sandall, Senior Clerk, Westminster attended several meetings of the Committee in December 1984. Mr. Sandall prepared a paper, subsequently tabled in the Committee, entitled "Research support for Committees at Westminster."

In April and early May of 1985 Mr. Peter Mpaso, Clerk of the Parliament in Malawi attended the meetings of the Public Accounts Committee. Mr. Mpaso provided a brief outline of his position vis-a-vis the parliament of Malawi.

THE OPERATIONS OF THE COMMITTEE

The Public Accounts Committee is concerned about financial accountability and extends its inquiry beyond the legalities associated with public spending by scrutinizing the quality of management and administration. In bringing the concepts of legality and efficiency together, through legislative inquiries, elected members fulfill their econonomic and constitutional role in evaluating financial affairs.

Background

A significant feature of the Saskatchewan system of government is the relationship between the Legislature and the executive and the responsibility of the Legislature to exercise its review powers over appropriation. A comprehensive system of reporting to the taxpayer has been established through the Legislature by the Provincial Auditor, the Standing Committee on Public Accounts, the Standing Committee on Crown Corporations and the Committee of Finance.

The Public Accounts Committee was established by an order of the House through which certain powers of investigation have been delegated. The Committee exercises its influence through criticism and public report. It scrutinizes through inquiry and regularly reviews the manner in which departments estimate their financial requirements and expend the moneys allocated to them by the Legislature.

The Committee's primary concern is with the cost effectiveness of policy rather than its objectives. However, the Committee is becoming more interested in analyzing the process by which those objectives are determined. This interest in policy determination is reflected in the Committee's close relationship with the Comptroller and the Provincial Auditor.

As a general rule the Committee does not question the adequacy of policies laid down by the government but is concerned with their implementation. However, for the purposes of its inquiries the Committee must have a clear understanding of the background and formulation of administrative policies that underlie the implementation of government policy. For this reason the Committee reserves the right to question public servants in depth on matters of administrative policy and to request, by Speaker's warrant if necessary, any information required to understand an issue. It does not, however, request public servants to express opinions on the adequacy of government policy.

Administrative policy which is relevant to the efficient functioning of departments or authorities is clearly within the Committee's sphere of responsibility. Consequently, public servants have, their own volition, expressed value judgments on the nature, purpose and justification of departmental policies. There are occasions when the Committee has found serious inconsistencies between the government's policy and its implementation by the department concerned.

By adopting these principles the Committee has proved over the years that, although it is a Committee of the Legislative Assembly and an all-party Committee, it is able to work successfully. The acceptance of government policy avoids the risk of the Committee finding itself divided permanently on party lines which would tend to result in internal conflict and in ineffectual reporting.

At their meetings of October 13 and 14, 1982 the Public Accounts Committee agreed to many of the recommendations arising out of the publication of a document by the Canadian Comprehensive Auditing Foundation (Messers Kelly and Hanson); entitled *Improving Accountability*: Canadian Public Accounts Committees and Legislative Auditors. Some recommendations of the report were modified by the Committee to more accurately reflect the Committee's objectives.

Method of operation

Under the terms of reference the Committee may function with absolute independence. However, the Legislature may refer any question in connection with the public accounts for inquiry and report, and other duties that may be assigned to the Committee. Generally, however, the Committee determines its own program of work and the inquiries it should undertake after consultation with the Provincial Auditor respecting his report.

Follow-up of the Committee reports and recommendations

The Committee's reports tend to be catalysts. Generally, a Committee's report tends to point in the direction where change is necessary, and while specific suggestions and firm recommendations are made, it is appreciated by the Committee that other factors may need to be taken into account. Generally, provided change of a beneficial nature occurs, the Committee is satisfied with the outcome of the inquiry.

Issues arising out of inquiries

The following are issues arising out of the Report of the Provincial Auditor to the Legislative Assembly for the year ended March 31, 1984 considered by the Public Accounts Committee. As well, Committee scrutiny was targeted at the Public Accounts documents published by the Comptroller and the respective Crown agency's annual report for the year under review:

The indicated item number refers to the issue section contained in the 1984 Provincial Auditor's report.

DEPARTMENT OF ADVANCED EDUCATION AND MANPOWER

item 2.2.3 Kelsey Institute of Applied Arts and Sciences

— no specific appropriation subsidy of $50,000

Summary

The Committee reviewed the Auditor's concerns regarding what was perceived to be an inappropriate use of public money and resolved the issue satisfactorily.

The Committee issued several "requests for information" to the Department concerning certain administrative aspects.

Action

No further action at this time.

DEPARTMENT OF AGRICULTURE

item 2.3 — waivor of preferred creditor status

Summary

The Committee was perplexed that the Department would waive its preferred creditor status when a company with whom it dealt became insolvent. Other issues not mentioned in the Auditor's report were investigated.

Action

Department explanation satisfactory.

DEPARTMENT OF CULTURE AND RECREATION

item 2.4 — No approval for grant payments totalling $267,050

Summary

The Committee inquired into the reasons why the Department spent the above amount of public money without the corresponding authority from the Lieutenant Governor in Council. The Committee noted that this had happened seventeen times during the period under review.

The Committee pursued other questions regarding the operation of the Department and issued several "requests for information".

Action

No further action at this time.

DEPARTMENT OF FINANCE

item 2.5

a) CICA standards for disclosure of financial statements
b) Pension fund investments—the legislative mandate

Summary

The Committee's continuing interest in standards for financial disclosure was again examined this year. The Comptroller was instructed to prepare a response for the Committee which he tabled (PAC 26/84-85) entitled: "Paper for Public Accounts Committee on issues being raised by the Canadian Institute of Chartered Accountants' Public Sector Accounting and Auditing Committee."

The major issue the Committee devoted its attention to was the pension fund investment vehicle, SaskPen, established by the Department. There was much disagreement between the authorities regarding the legality of such a venture as well as its impropriety when dealing with trust money.

Action

The Committee recommends adopting the proposals of the Provincial Auditor with respect to SaskPen Properties Ltd.

DEPARTMENT OF HIGHWAYS AND TRANSPORTATION

item 2.6	failure to maintain complete and accurate financial records

Summary

A continuing concern of the Provincial Auditor regarding the Department's transition to a new computerized accounting system intensified. As well, the Committee extended its inquiry to the Department's costing procedure regarding personalized license plates.

A number of "requests for information" were issued by the Committee to the Department.

Action

The Committee is satisfied that the Department will correct these discrepancies. No further action.

DEPARTMENT OF PARKS AND RENEWABLE RESOURCES

item 2.9	a) cheque reconciliation inconsistencies b) excess appropriation not authorized by the Legislature c) payment out of Saskatchewan Wildlife Development Fund of $9,945 after agreeement expired

Summary

The Committee examined the Auditor's concerns relative to the expenditure of public money without proper legislative authority as that which happened with Department payments to a Regional Park Authority.

As well, the Committee inquired into a payment of $9,945 to the Saskatchewan Wildlife Federation after the agreement permitting this transaction to take place expired.

Action

The Committee recommends that the Department curtail the above noted practice. We will monitor the situation through our review of succeeding Provincial Auditor's reports to the Legislature.

DEPARTMENT OF REVENUE AND FINANCIAL SERVICES

item 2.10

a) non compliance with Committee's 1980 recommendation
b) investment fund authority delegation
c) reservation of opinion on financial statements
d) external administration of the dental plan, disability income plan, and group life insurance plan

Summary

The Committee is not satisfied with the Department's lack of compliance regarding a recommendation to the Assembly in 1980 wherein it was reported and recommended that the Department ensure there is a balance between the number of detailed field audits and their respective costs to the taxpayer.

An extensive inquiry revolved around the Government's dental, disability and group life insurance plans. The Committee was perplexed that these government plans, administered by a large private sector company lacked the controls the Provincial Auditor revealed.

The Committee requested the Department to provide the Committee with various kinds of information pertaining to all the government pension funds in Saskatchewan.

Action

The Committee will review next year the Department's corrective measures relative to the Auditor's concerns.

DEPARTMENT OF RURAL DEVELOPMENT

item 2.11

a) Municipal Superannuation Commission—financial statements incomplete
b) Application of *The Pension Benefits Act*

Summary

The Committee studied the annual report for the period under review of the Municipal Employees Superannuation Commission. The Committee noted their concern regarding the inappropriateness of including the inserted documentation written by the Provincial Auditor without the Auditor's consent.

The Committee passed a motion requesting the Municipal Superannuation Commission to submit a thorough report to the Committee regarding annuity underwriting, financial positions and committments.

Action

The Committee will review this problem upon receipt of the information to be provided by the Municipal Superannuation Commission and recommend, at that time, what action ought to be taken.

DEPARTMENT OF SOCIAL SERVICES

item 2.13 revenue recovery

Summary

The Committee raised the concern by the Provincial Auditor regarding the lack of Department control over revenue recovery.

The Committee extended its inquiry to the question of fraud perpetrated upon the Department by citizens seeking social assistance. An extensive debate resulted.

Action

The Committee is satisfied with the Department's explanation.

LEGISLATIVE LIBRARY

Services to Members

Summary

The Committee requested a briefing by the Legislative Librarian on the range and availability of services the library could provide Members of the Committee.

Action

The Committee wishes to note that this item is not included in the Provincial Auditor's Report and that Committee research support is a continuing interest of the Committee.

PRAIRIE AGRICULTURAL MACHINERY INSTITUTE

item 2.16		fee for service through contracted development work

Summary

The Committee examined the issue raised by the Provincial Auditor and agreed with his view that new procedures need to be in place to better reflect the inter-provincial financial arrangements regarding PAMI in order that their financial statements can be more accurate.

Action

The Committee will monitor the situation through their review of succeeding Provincial Auditor's reports to the Legislature.

SASKATCHEWAN COMPUTER UTILITY CORPORATION

item 2.17	a)	cheque reconciliation inconsistencies
	b)	computerized billing system inconsistencies

Summary

The Committee heard testimony regarding the Provincial Auditor's concerns of the Corporation and was interested to learn of the security arrangements recently put in place. The latter investigation was held *in camera*.

Action

No further action at this time.

SASKATCHEWAN FOREST PRODUCTS CORPORATION

item 2.19	a)	invoicing product shipments
	b)	unauthorized access to accounting files
	c)	inaccurate inventory value determination
	d)	lack of documentation of policies and procedures

Summary

The Committee spent much time analyzing the Corporation's administrative transgressions specific to issues raised by the Provincial Auditor. Some peripheral, forestry related topics were queried.

Action

The Committee is satisfied with the Corporation's responses.

SASKATCHEWAN GOVERNMENT INSURANCE

item 2.20 — Application of *The Pension Benefits Act*

Summary

The Committee investigated this Crown agency's investment strategy in real estate with pension money. Saskatchewan Government Insurance defended their investment of trust funds and the delegation of investment responsibility to the Department of Finance. The investment vehicle taking a portion of SGI's pension funds was SaskPen — an issue investigated during the hearing of the Department of Finance

Action

The Committee recommends that the appropriate provincial legislation be amended to allow this investment vehicle to legally co-exist with the Provincial Auditor's view.

SASKATCHEWAN HOUSING CORPORATION

item 2.23

a) lack of periodic review of financial reports by Board of Directors
b) program implementation prior to Board of Directors authorization
c) need for new subvote
d) lack of information provided to the Legislature

Summary

The Committee investigated the Auditor's complaint and targeted questions to the Corporation's provincial land holdings and other matters presented in its annual report.

Action

The Committee is satisfied with the Corporation's responses.

SASKATCHEWAN PORK PRODUCERS MARKETING BOARD

item 2.22 — cheque reconciliation inconsistencies

Summary

The Committee examined the issue raised by the Provincial Auditor and pursued extensive questioning on other matters pertaining to the international market share held by the Board.

Action

The Committee is satisfied with the Board's response, no further action at this time.

SASKATCHEWAN POWER CORPORATION

item 2.25	a)	procedures to detect incorrect disbursements of Many Islands Pipelines
	b)	delegation of pension fund investment fund to the Department of Revenue and Financial Services

Summary

The Committee expressed their concern regarding the investment vehicle used (SaskPen) by the Saskatchewan Power Corporation for the year under review.

The Committee debated the Corporation's insufficient "control over investment decisions" raised by the Provincial Auditor. The Committee is in agreement with the Auditor.

Action

Department explanations are satisfactory, no further action.

SASKATCHEWAN SHEEP AND WOOL MARKETING COMMISSION

item 2.27	compliance with marketing order 22/83 re collection of check off fees

Summary

At the outset of their investigation of this Commission the Committee was compelled to clarify its authority and terms of reference for the edification of the witness reluctance because of the Chairman to testify.

The Committee agreed with the Provincial Auditor's comments in his annual report regarding the lack of a system to ensure compliance with the above noted marketing order.

Additional marketing issues were examined by the Committee, particularly the issue of New Zealand lamb products being sold in Saskatchewan.

Action

No further action at this time.

SASKATCHEWAN TEACHER'S SUPERANNUATION COMMISSION

item 2.30	failure to maintain essential records

Summary

This is the second time in less than a year that this Commission has appeared before the Committee. The answers to the Committee placated our earlier feelings that there was a problem totally out of control. We now believe, given the proper assurances, that the Commission is on the right track in rectifying the problem raised by the Provincial Auditor.

Action

No further action at this time.

SASKATCHEWAN TRANSPORTATION COMPANY

item 2.29 — final construction hold back payments — duplicated payment

Summary

The Committee was extremely disconcerted to learn that the Saskatchewan Transportation Company had paid for certain contractual services twice in the order of $209,000.00. We were disappointed with the evidence presented to us regarding the sequence of events leading up to this financial discrepancy and were forced to adjourn the hearing to another day when witnesses familiar with the occurance provided more complete information.

Action

The Committee recommends that it is appropriate for legal counsel to be retained and the appropriate expert technical expertise be utilized when Crown agencies enter into projects with which they have no proficiency.

WESTERN DEVELOPMENT MUSEUM

item 2.31 — recording of donations and Government of Canada grants

Summary

The Committee investigated thoroughly the Auditor's position regarding interprovincial donations, especially those emanating from Ottawa.

The Committee wants to include in its report its belief in the need and value the Museum provides to the people of Saskatchewan.

Action

The Committee has instructed the Comptroller, to review with the officials of the Western Development Museum, a method for resolving the concern raised by the Auditor.

APPENDIX

Committee Performance Data

1. Sitting hours

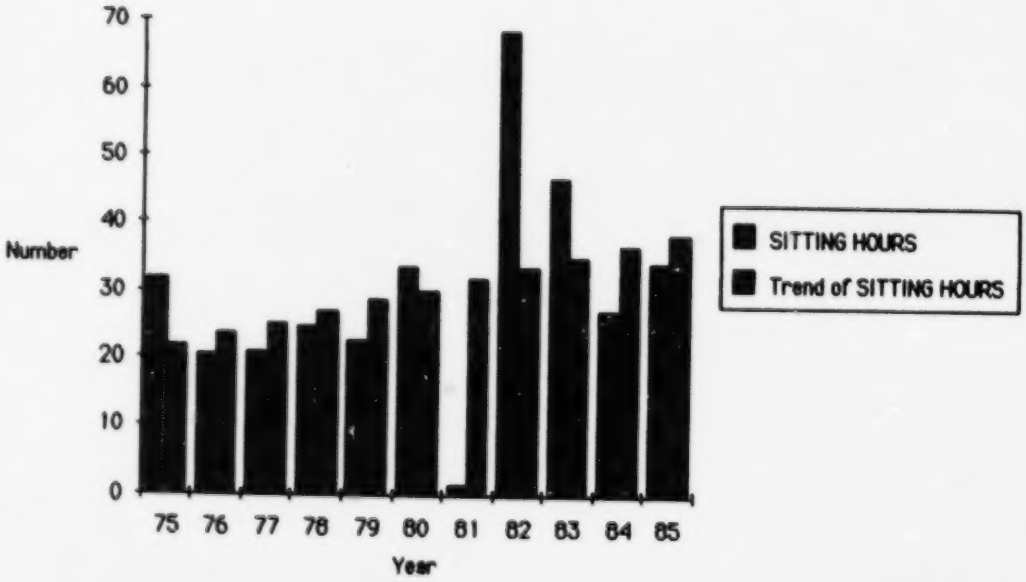
Moved by Mr. Weiman (December 6, 1984, p 2, Public Accounts Committee Verbatim):

"That the Standing Committee on Public Accounts sit Wednesdays and Thursdays from 8:30 a.m. to 11:00 a.m. when the Provincial Auditor's Report and the Public Accounts documents are referred to them."

The number of sitting hours by this Committee varies according to workload. It should be noted that in 1982 the total number of sitting hours included a two day seminar held in Regina respecting all components of the Public Accounts Committee.

The sitting trend is to a slightly increased total number of hours sat each year over the previous one.

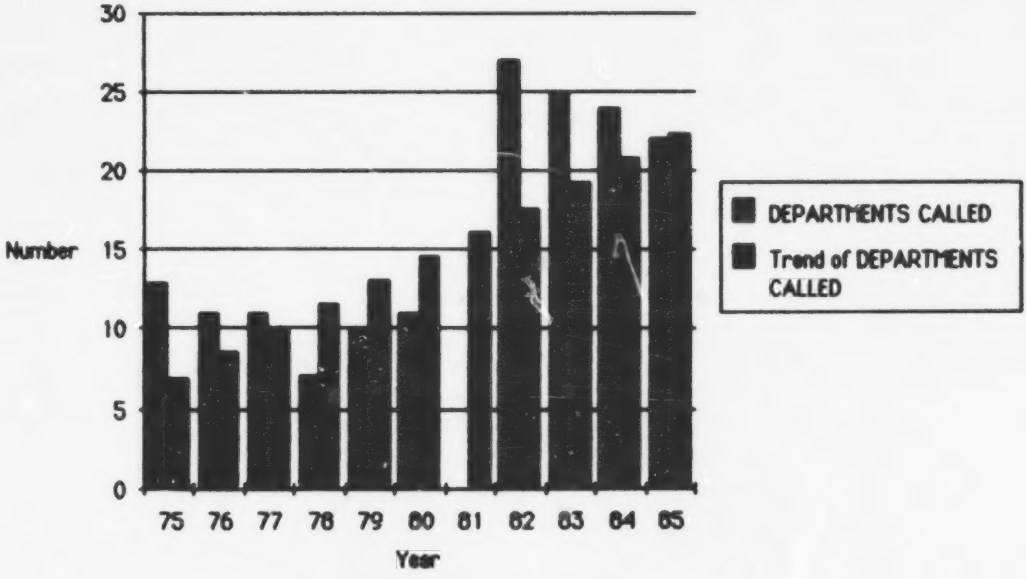
The maximum number of sitting hours during the past ten years is 68.3 during 1982 with the least amount of time spent by the Committee was 1.33 hours in 1981. Over the ten year period the average number of sitting hours equals 29.9 with the median being 26.9 hours resulting in a standard deviation of 16.92 hours.



2. Departments called

The "departments called" chart shows the somewhat erratic appearance of Crown agencies before the Committee, particularly during the first half of the ten year history. Since 1982 the selection trend has resulted in more Crown agencies being scrutinized. The overall trend is one of increased review.

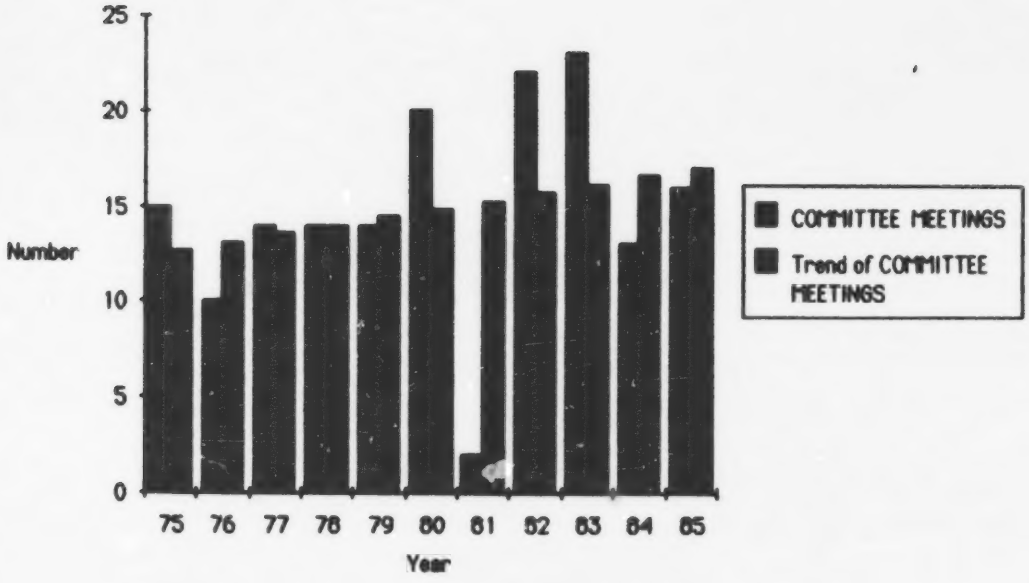
The maximum number of departments called during the past ten years is 27 in 1982 and the least number was 0 in 1981. Throughout the ten year period the average number of departments called is 14 with a median of 11 resulting in a standard deviation of 8.59.



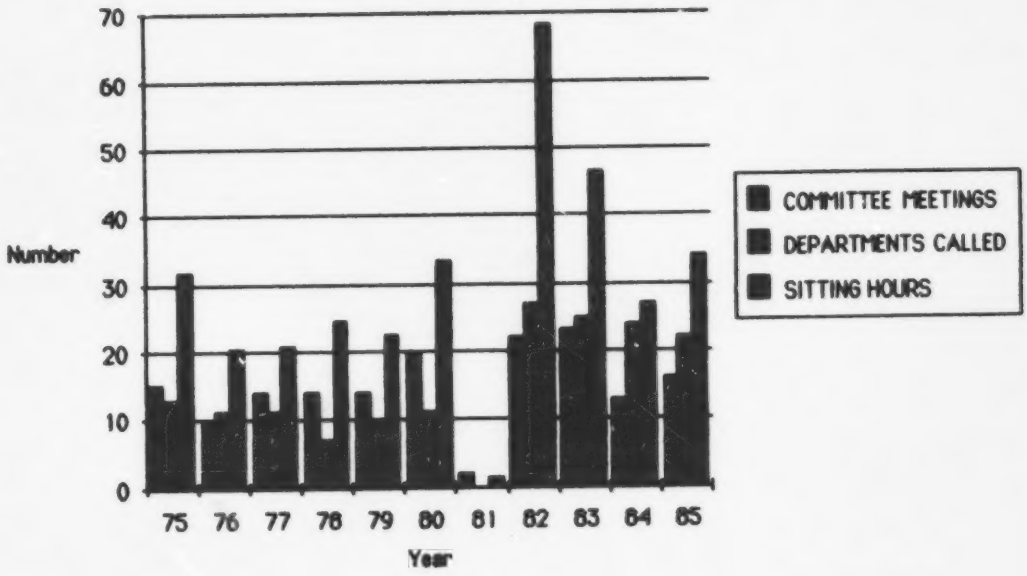
3. Meetings held

The number of meetings held by the Public Accounts Committee, though dependent on the number of Crown agencies selected is more directly proportional to the nature and extent of inquiry to be undertaken. The graph below reflects this manifestation.

The maximum number of Committee meetings during the past ten years is 23 in 1983 with the least number of meetings in 1981 at 2. Throughout the ten year period the average number of meetings was 14.8 with a median of 14 resulting in a standard deviation of 5.82 meetings.

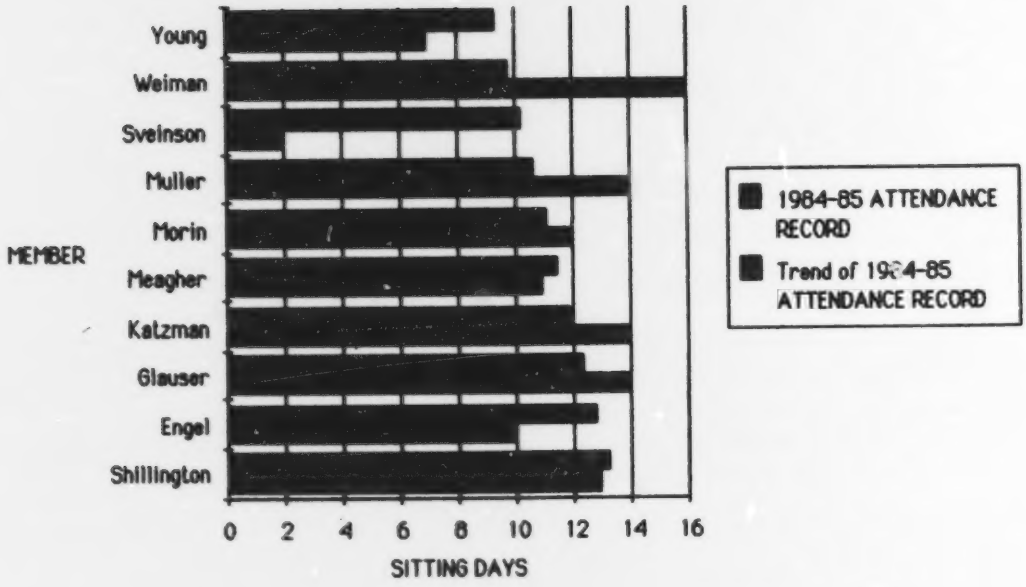


4. Summary chart



5. Attendance Record

The attendance graph is slightly skewed. The absence of most Members was due in whole or in part to illness or other Legislative Commitments. Considering that substitutions are not permitted in this Committee, attendance is this year (as in previous years) outstanding.



Procedural Matters

Three important procedural points of order were debated by the Committee during its public deliberations.

The continuing debate over the appearance of Crown corporations before the Committee was embodied in a motion curtailing the practice and eventually ruled out of order by the Chairman. The essence of the Chairman's statement was that "It would not be in order for the Committee to alter its terms of reference through an omnibus motion restricting segments of the Public Accounts or annual reports of the Provincial Auditor from the legitimate scrutiny of this Committee", (PAC 22/84-85).

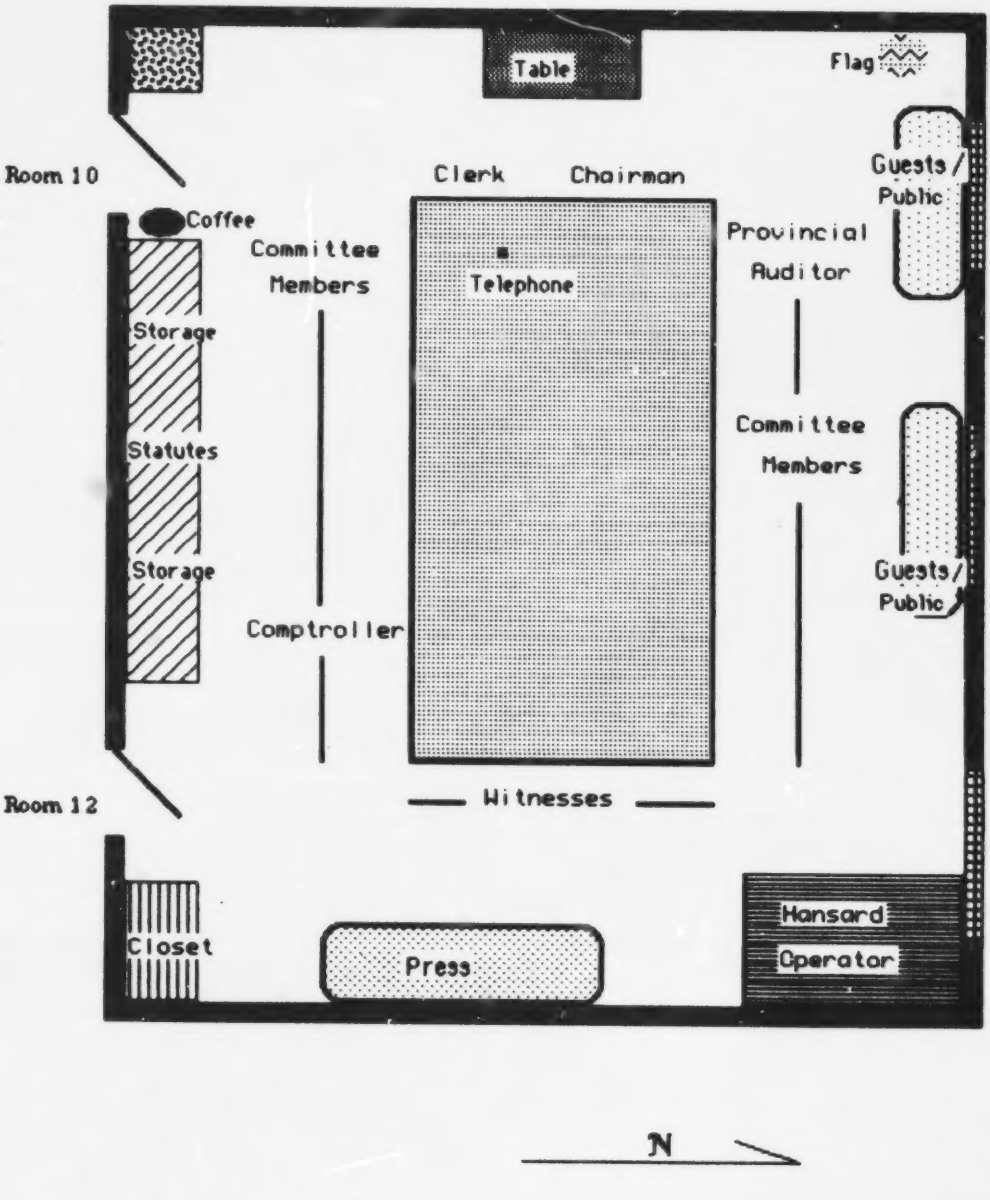
A procedural point calling for clarification surrounding the appearance of Ministerial Assistants as witnesses at the public hearings of the Committee was encountered. The Chairman ruled that Ministerial Assistants not be allowed to sit as a witness and at the table with other witnesses according to established practice (PAC 27/84-85).

The third procedural conundrum the Committee found itself in dealt with a definition of "year under review". The Chairman presented his ruling which was challenged and, according to *Beauchesne's Parliamentary Rules and Forms*, Fifth Edition, para. 607(2) which reads: "There is no appeal to the House from the Chairman's ruling except by way of a report from the committee.", the Public Accounts Committee wishes to report to the Legislature the need for direction in this matter. The inclusion of this item in this seventh report fulfills the requirements to report to the Legislature.

Committee Accommodation

The Public Accounts Committee received new and better accommodation in 1984 to more appropriately meet its needs.

The Committee wishes to thank the Department of Supply and Services for the excellent work they performed in outfitting Rooms 10 and 12 of the Legislative Building for the Committee.



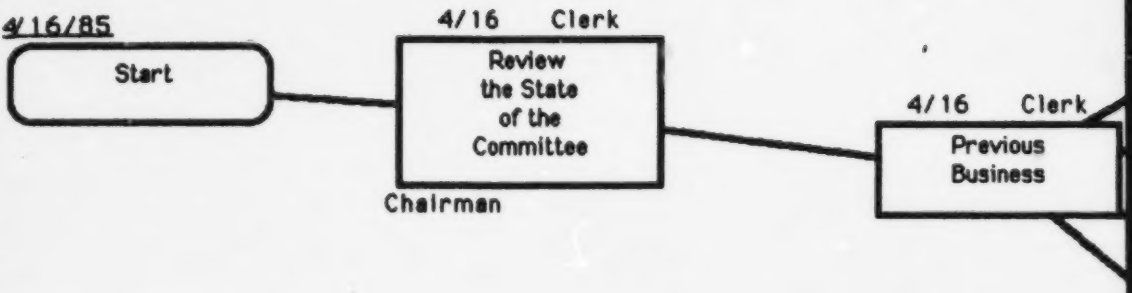
Committee Program Plan

The Committee instituted a Program Evaluation and Review Technique to analyse its performance more accurately and to develop a timetable to which it could adhere for its 1984-85 deliberations.

STANDING COMMITTEE ON

PUBLIC ACCOUNTS

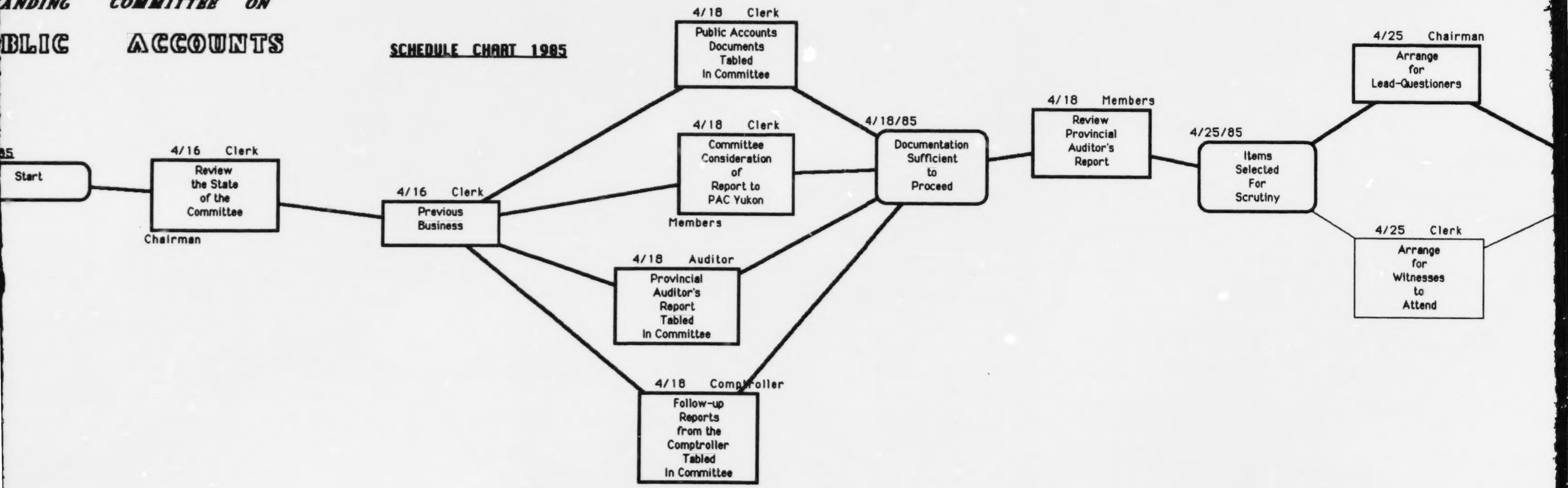
SCHEDULE CHA

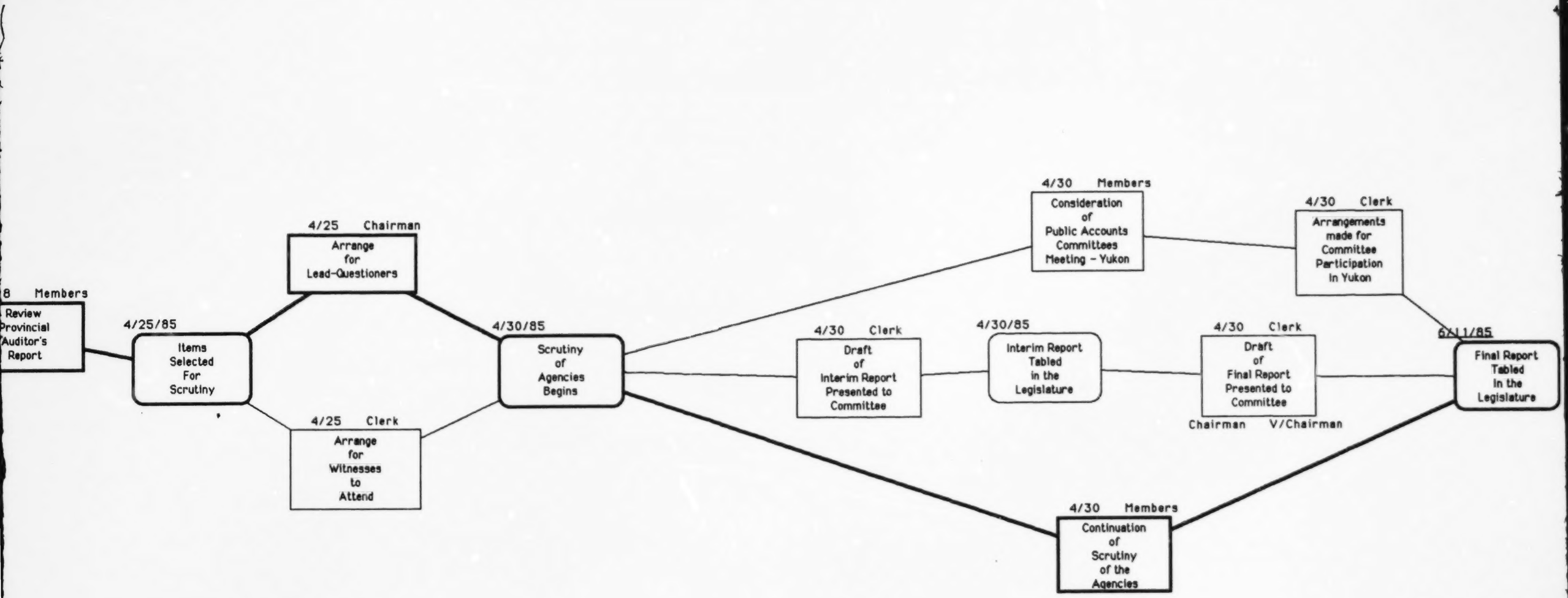


ANDING COMMITTEE ON

BLIC ACCOUNTS

SCHEDULE CHART 1985




8 Members
Review Provincial Auditor's Report
4/25/85
Items Selected For Scrutiny
4/25 Chairman
Arrange for Lead-Questioners
4/25 Clerk
Arrange for Witnesses to Attend
4/30/85
Scrutiny of Agencies Begins
4/30 Members
Consideration of Public Accounts Committees Meeting - Yukon
4/30 Clerk
Arrangements made for Committee Participation in Yukon
4/30 Clerk
Draft of Interim Report Presented to Committee
4/30/85
Interim Report Tabled in the Legislature
4/30 Clerk
Draft of Final Report Presented to Committee
Chairman V/Chairman
6/11/85
Final Report Tabled in the Legislature
4/30 Members
Continuation of Scrutiny of the Agencies

Selection Criteria

The Public Accounts Committee bases its questioning and conclusions upon three criteria: economy, efficiency and effectiveness. It is worth noting that a bill, Bill 90 of 1984 of the Quebec National Assembly has attempted a definition of the three categories.

1) Economy means the acquisition at the lowest cost and at the appropriate time of human and material resources in appropriate quantity and quality;

2) Efficiency means the conversion in the best ratio, of resources into goods and services;

3) Effectiveness means the achievement, to the best degree, of the objectives or other intended effects of a program, an organization or an activity.

Your Committee will be considering these definitions with respect to their applicability to the Saskatchewan public service.

Documents Tabled

PAC 1-84-85	Public Accounts Orientation Seminar, September 16-17, 1982
PAC 2-84-85	Research Support for Committees at Westminster
PAC 3-84-85	Standing Committee on Public Accounts Research Support
PAC 4-84-85	Standing Committee on Public Accounts budget request FY 1985-86
PAC 5-84-85	Public Accounts Committee budget accepted by Board of Internal Economy
PAC 6-84-85	Comptroller's follow-up report for 1984
PAC 7-84-85	Supplementary Actuarial Report on the Saskatchewan Public Service Superannuation Plan to March 31, 1983
PAC 8-84-85	Cash Flow Report on the Saskatchewan Public Service Superannuation Plan: 1 April 1983 to 31 March 2025
PAC 9-84-85	Actuarial Report on the Saskatchewan Public Service Superannuation Plan as at 31 March 1983
PAC 10-84-85	Report of the Provincial Auditor to the Legislative Assembly for the year ended March 31, 1984
PAC 11-84-85	Committee schedule chart 1985 — resource allocation
PAC 12-84-85	Committee schedule chart 1985 — critical path
PAC 13-84-85	Public Accounts Committee seating plan
PAC 14-84-85	Canadian Council of Public Accounts Committees 1986 conference location
PAC 15-84-85	Parliamentary control and the accounting process
PAC 16-84-85	Accounting framework
PAC 17-84-85	Public Accounts for the fiscal year ended March 31, 1984: financial statements and supporting schedules
PAC 18-84-85	Public Accounts for the fiscal year ended March 31, 1984: detail of budgetary expenditure
PAC 19-84-85	Standing Committee on Public Accounts report, minutes and verbatim, Vol. 18, Session 1984
PAC 20-84-85	Public Accounts for the fiscal year ended March 31, 1984: Supplementary Information
PAC 21-84-85	Department of Parks and Renewable Resources: management letter and response
PAC 22-84-85	Public Accounts Committee review of crown corporations
PAC 23-84-85	Saskatchewan Computer Utility Corporation's response to a request for information respecting facilities protection and 1982 net income and dividend
PAC 24-84-85	Saskatchewan Culture and Recreation response to the Committee's request for information
PAC 25-84-85	Canadian House of Commons Standing Committee on Public Accounts Fourth report to Parliament
PAC 26-84-85	Paper for Public Accounts Committee on issues being raised by the Canadian Institute of Chartered Accountants Public Sector Accounting and Auditing Committee
PAC 27-84-85	Committee Terms of Reference — definition of year under review
PAC 28-84-85	Saskatchewan Transportation Company certificate of payment to Tyndall Development Corporation Ltd.
PAC 29-84-85	Ministerial Assistants as witnesses to the Public Accounts Committee
PAC 30-84-85	Schedule of Superannuation Plans for which the Government of Saskatchewan is responsible

Requests for Information:

DATE	REQUEST	RESPONDENT
*December 6, 1984	Research services of the Legislative Library	Legislative Librarian
*December 12, 1984	Actuarial report of the Government Employees Superannuation Plan	Clerk
*April 17, 1985	Hotel accommodation in Waskesiu, Cypress Hills, North Battleford, Swift Current, Prince Albert	Clerk
*April 17, 1985	Possibility of Legislative Auditors changing 1986 conference location in Saskatchewan	Clerk
*April 17, 1985	Number of participants at joint annual conference between Legislative Auditors and Public Accounts Committee Chairmen	Clerk
April 17, 1985	Ask Legislative Auditors for joint consultation in determining conference locations	Clerk
*April 18, 1985	List of creditors regarding Department of Agriculture Contract (item 2.3.1)	Deputy Minister
*April 18, 1985	Major issues addressed by the Canadian Institute of Chartered Accountants	Comptroller
*April 24, 1985	Location of 1986 meeting of Canadian Public Accounts Committee	Clerk
*April 24, 1985	Inadequacy of Many Islands Pipelines accounting procedures	Clerk

May 1, 1985	Department of Culture and Recreation payments to DOMPRO Ltd.	Deputy Minister
May 1, 1985	Department of Culture and Recreation attendance statistics at Government House	Deputy Minister
May 1, 1985	Department of Culture and Recreation statistics regarding the talent search program	Deputy Minister
May 2, 1985	Department of Advanced Education & Manpower control of grants	Deputy Minister
May 2, 1985	Department of Advanced Education & Manpower waiting list at technical institutes	Assistant Deputy Minister
May 2, 1985	Department of Advanced Education & Manpower eligibility criteria for opportunities '84 program	Deputy Minister
May 2, 1985	Department of Advanced Education & Manpower Computerland purchases	Deputy Minister
May 2, 1985	Department of Advanced Education & Manpower purchases in excess of $10,000 not tendered	Deputy Minister
*May 8, 1985	SaskComp Corporation's fire and police protection at all corporation's facilities	President
*May 16, 1985	Attendance of Ministerial Assistants as witnesses	Clerk
May 16, 1985	Department of Highways and Transportation list of department contracts over $100,000 not tendered and an explanation of why not	Deputy Minister

May 16, 1985	Department of Highways and Transportation cost of ice crossing at Riverhurst	Deputy Minister
May 16	Department of Highways and Transportation number of vehicles used the Uranium City winter road	Deputy Minister
May 22	MLA superannuation benefits upon becoming an MP	Deputy Minister
May 22	Government pension plans in Saskatchewan	Comptroller
May 23, 1985	Department of Social Services rise of taxis by clients and staff	Assistant Deputy Minister
May 23, 1985	Department of Social Services payment in excess of $10,000 to each Saskatchewan taxi company	Assistant Deputy Minister
May 23, 1985	Saskatchewan Housing Corporation disposition of land holdings at Christopher Lake	President
May 29, 1985	Financial position and underwriting activity of the Municipal Employees Superannuation Commission (Department of Rural Development)	Deputy Minister
May 29, 1985	Saskatchewan Transportation Company retention of Legal Counsel regarding new facility construction in Saskatoon	Vice President
May 29, 1985	Definition of "period under review"	Clerk
May 30, 1985	Sample size and percentage of error in the pre-audit of the Farm Purchase Program	Deputy Minister

*Indicates information supplied by June 6, 1985 pursuant to the Committee's request.

1. The Canadian Council of Public Accounts Committees

CONSTITUTION

CANADIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEES

2. The Canadian Council of Public Accounts Committees is hereby established.

3. The aims of the Council are:

   a) To facilitate the exchange of information and opinion relating to Public Accounts Committees and to discuss matters of mutual concern;

   b) To improve the quality and performance of Public Accounts Committees in Canada to ensure that taxpayers are getting value for money;

   c) To work with the Auditors General so as to improve the effectiveness of both the Auditors and the Public Accounts Committees;

   d) To work with individuals and organizations knowledgeable about matters of concern to Public Accounts Committees;

   e) To educate the elected Members, the media and the general public as to the purposes and activities of Public Accounts Committees.

4. Membership in the Council is open to legislators who are members of all Canadian Public Accounts Committees or of similar legislative committees scrutinizing public spending.

5. The Council shall meet annually with the meetings open to legislators and staff of the Public Accounts Committees.

6. In case of questions to be decided at the annual meeting one vote may be cast by the House of Commons Public Accounts Committee and by the Public Accounts Committee, or equivalent, of each province or territory.

7. a) The Board of Directors of the Council shall be composed of a President and two Vice-Presidents elected by the Council and serving at pleasure. Whenever possible, the Public Accounts Committee Chairman of the jurisdiction in which the annual meeting is to be held shall be a member of the Board of Directors. The members of the Board shall be chairmen of Public Accounts Committees, or similar bodies, and shall be elected at an Annual General Meeting.

   b) The Board of Directors shall meet twice yearly.

c) The Board of Directors shall appoint a Secretary of the Council to perform such administrative and research duties as may be assigned by the Council and the Board.

8. a) A quorum of the Council shall be seven voting members.

b) A quorum of the Board shall be two voting members.